

October 7, 2004

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Room TW-A325
Washington, DC 20554

Re: Review of the Section 251 Unbundling Obligations for Incumbent Local
Exchange Carriers, Docket Nos. 01-338 *et al* (rel. August 21, 2003),
BellSouth Petition for Clarification and/or Partial Reconsideration.

Dear Ms. Dortch:

This letter is submitted on behalf of Advanced Fibre Communications, Inc. (AFC®) in response to the *ex parte* letter submitted October 6, 2004, by Leonard G. Ray of the Atlantic Engineering Group ("Ray").

AFC strongly supports the BellSouth Petition for Clarification and/or Partial Reconsideration filed in this proceeding and has requested that the Commission treat fiber-to-the-curb (FTTC) the same as fiber-to-the-home (FTTH) for unbundling purposes in greenfield situations.

In his October 6 letter, Ray incorrectly characterizes the comments of the High Tech Broadband Coalition (HTBC) and proposes inappropriate tests for granting BellSouth the relief it deserves (BellSouth should be granted relief "only to the extent it offers for sale a capability that meets or exceeds the transmission capability specified in an internationally recognized standard for FTTH" and should be required "to offer service capability equal to that offered on FTTH").

Ray does not justify imposing a service capability requirement on carriers that make the business judgment to deploy FTTC when there is no similar requirement on carriers that make a business judgment to deploy FTTH. As HTBC has stated, to the extent FTTC loops are equivalent to FTTH loops in terms of transmission capability, the Commission should not impose a requirement only on carriers deploying FTTC that the transmission capacity be utilized in order to obtain unbundling relief.

In fact, FTTH and FTTC presently support the same suite of services, including TDM voice, VoIP, high speed Internet, analog and digital TV and video on demand. Thus, the revenue opportunities are equivalent for both. Moreover, in both cases the absence of impairment is

Ms. Marlene H. Dortch, Secretary
October 7, 2004
Page 2

demonstrated by the fact that competitive carriers have deployed both FTTC and FTTH in competition with the incumbent carriers. Finally, the policy goal of encouraging the deployment of advanced communications capabilities is served equally well by FTTH and FTTC, in light of their service and capacity equivalencies.

On the other hand, if the Commission continues to apply disparate treatment to FTTC and FTTH, it will threaten the goal of universal, affordable access for broadband technology. AFC is rare in its ability to offer both FTTC and FTTH architectures and believes that the choice of broadband architectures should depend on the engineering and economic considerations applicable to each location. If the Commission retains the current investment disincentives solely on FTTC, then carriers will choose not to deploy either technology in situations where FTTC would otherwise prove economic (but FTTH would not), thus depriving some parts of America of robust broadband capabilities.

Ray references the "law of physics" in his letter; but he fails to acknowledge the particular law of physics that states that over short distances (*e.g.*, approximately 500 feet) copper exhibits very little impedance, thereby enabling FTTC to provide significant capacity/bandwidth. It is this "law of physics" that has led to the adoption of 500 feet as the standard for maximum copper length in FTTC, and as such is specified in the GR-909 FTTC standard issued by Telecordia.

Respectfully submitted,

/s/ _____
Timothy J. Cooney